
A BILL FOR AN ACT

RELATING TO EDUCATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the department of
2 education established a federal revenue maximization program to
3 develop a process to recover reimbursement for all
4 medicaid-eligible health services that the department provides
5 to Hawaii's school-aged children.

6 The legislature also finds that moneys generated from the
7 revenue maximization program are deposited into the general
8 fund. However, the deposit of generated revenue into the
9 general fund does not guarantee that the moneys are dedicated to
10 the school-based federal revenue maximization program. The
11 establishment of a revolving fund for the federal revenue
12 maximization program is necessary to provide a clear nexus
13 between the revenue generated from the school-based claiming
14 program and the provision of those services.

15 The purpose of this Act is to create a revenue source for
16 medicaid-eligible health services provided by the department of
17 education by establishing a revolving fund for the collection
18 and disbursement of generated revenue to support the



1 administration and operations of the federal revenue
2 maximization program.

3 SECTION 2. Chapter 302A, Hawaii Revised Statutes, is
4 amended by adding a new section to be appropriately designated
5 and to read as follows:

6 "§302A- Federal revenue maximization program revolving
7 fund; established. (a) There is established in the state
8 treasury the federal revenue maximization program revolving fund
9 to be administered by the department. Moneys from the revolving
10 fund shall be expended by the department for medicaid-eligible
11 services provided by the department.

12 (b) The federal revenue maximization program revolving
13 fund shall consist of:

- 14 (1) Federal revenue collected by the department for
- 15 administering and operating the school-based federal
- 16 revenue maximization program;
- 17 (2) Legislative appropriations;
- 18 (3) All interest earned on the deposit or investment of
- 19 moneys in the federal revenue maximization program;
- 20 and



1 (4) Any other moneys made available to the federal revenue
2 maximization program revolving fund from other
3 sources."

4 SECTION 3. New statutory material is underscored.

5 SECTION 4. This Act shall take effect on July 1, 2006.



Report Title:

Education; Federal Revenue Maximization Revolving Fund

Description:

Establishes the federal revenue maximization revolving fund to collect and disburse revenue for medicaid-eligible health services provided to public school children. (SD2)

